

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA**

In re:)	Chapter 15
)	
)	Case No. 07-02356-jw
)	
Spencer Partners Limited (In Liquidation))	MOTION TO DISMISS
)	AND CLOSE CASE
Debtor in a Foreign Proceeding.)	
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Laurence Keenan (“Keenan” or the “Petitioner”), the duly appointed Liquidator, Official Receiver and Foreign Representative of Spencer Partners Limited (“Spencer” or the “Debtor”), who filed this Chapter 15 petition for Spencer Partners through his United States’ counsel, requests the court enter its order dismissing this case and respectfully represents as follows:

I.

PRELIMINARY STATEMENT

1. The Petitioner commenced this Chapter 15 case pursuant to section 1504 of the Bankruptcy Code by filing the Petition, as well as all certifications, statement lists, and documents required by section 1515 of the Bankruptcy Code and Rule 1007(a)(4) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). The Petition sought the recognition of, and certain other relief necessary to aid, a foreign main proceeding as defined in sections 101(23) and 1502(4) of the Bankruptcy Code. The foreign main proceeding is currently pending in Douglas, Isle of Man under the supervision of the High Court of Justice of the Isle of Man (Serial Number CPL 2007/1) (the “High Court of Justice”).

II.

JURISDICTION AND VENUE

2. This court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b)(1), 157(b)(2)(P), § 1334 and 11 U.S.C. §§ 109 and 1501.

3. Venue is proper in this district pursuant to 28 U.S.C. § 1410 because the Debtor is a defendant in litigation in this district and its principal assets in the United States, if any, are located in South Carolina.

III.

BACKGROUND

A. The Debtor's Business in Douglas, Isle of Man.

Based on the Petitioner's investigation to date, he believes the following to be true:

4. Spencer was incorporated in the Isle of Man (numbered 88314C) on November 11, 1997 under the name of Jeather Limited. The certificate of incorporation changing the name to Spencer Partners Limited was issued on July 24, 2000.

5. The registered office of Spencer was formerly at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP and is now at Victoria Chambers, 47 Victoria Street, Douglas, Isle of Man IM1 2LD.

6. The capital of Spencer is £2,000, divided into 2,000 shares of £1 each. The shares are issued solely to Methodikos Investments Limited of 12/13 Vincenti Buildings, Strait Street, Valletta, Malta, (hereinafter the "Sole Member").

7. On June 5, 2006 in the United States District Court, District of South Carolina, a summons in a civil action was issued and subsequently served on Spencer as co-defendant with Charles Cathcart, Yuri Debevc, Scott Cathcart, Derivium USA Inc., Veridia Solutions LLC, and

Shenandoah Holdings Limited. The Complaint sets forth ten causes of action and the damages sought are in excess of the total assets of the Debtor. In addition the Debtor had no available funding to defend the action. Subsequently, other plaintiffs filed similar cases in the United States, and named Spencer Partners Limited, among others, as a party.

8. On October 5, 2006 Spencer contacted the Sole Member seeking its financial support to enable Spencer to contest the matters as not to contest the claims could result in a liability far in excess of the assets of Spencer. At the same time, a notice was given to the Sole Member of a proposed extraordinary general meeting to consider putting Spencer into creditor's voluntary liquidation (the "EGM") as an alternative to granting financial support.

9. Subsequent to the failure to constitute the EGM on two separate occasions, a meeting of the Board of Directors of Spencer was held at which it was resolved that Spencer petition the Court for a winding up.

10. The Main Proceeding was commenced January 22, 2007 and the Winding Up Order was entered on March 12, 2007 and April 20, 2007.

11. On May 2, 2007 the Chapter 15 petition for relief was filed in this court.

12. On May 29, 2007 this court entered its Order Granting Recognition and Certain Relief in Aid of Foreign Proceeding

RELIEF REQUESTED

13. As a result of the Chapter 15 filing the Foreign Representative has been successful in negotiating a Settlement Agreement and Release with most of the Plaintiffs in the United States District Court litigation, including Kevin Campbell, the Trustee for Derivium Capital. A copy of the Settlement Agreement and Release are attached hereto as Exhibit A.

14. In Summary, the Settlement Agreement and Release provides that the assets of Spencer Partners and its wholly owned subsidiary Spencer Venture Partners will be turned over to the Derivium Trustee. The assets include Spencer Partners Limited's 58% interest in Charleston Aluminum which will be sold by the Derivium Trustee, and Spencer Venture Partners' interest in Veristeel.

15. Spencer Partners' only creditor has agreed to the Settlement Agreement and the Deemster in the High Court of Justice with jurisdiction over Spencer Partners' Liquidation case entered an Order on December 7, 2007 authorizing Keenan to enter into the Settlement Agreement.

16. Inasmuch as the claims subject to the litigation pending in this District against Spencer have been resolved (save and except the claims of Alan M. Grayson and AMG Trust) and Keenan has turned over all assets to the Derivium Trustee, there is no further need for the Chapter 15 case and the Petitioner requests the Court enter its order dismissing and closing the case.

NOTICE

17. The Petitioner will cause a notice of filing and hearing (the "Notice"), together with the service of this Motion to be served by first-class mail, on (i) all parties in the Debtor's foreign proceeding, and (ii) all parties to any litigation in which the Debtor is a party that is pending in the United States (the "Notice Parties"). The Notice will set forth the date, time, and location of the Hearing and the deadline by which any objections to the relief requested in this Motion must be filed with the Court.

18. The Petitioner requests that this Court, pursuant to Rule 2002 of the Bankruptcy Rules, find that the Notice described above is good and proper for all purposes and provided to all those entities entitled to such notice and upon whom such notice should be served.

WHEREFORE, the Petitioner respectfully requests that this Court enter an order dismissing and closing this case and grant such other and further relief as may be just and proper.

Dated: January 16, 2008

Respectfully submitted,

McNAIR LAW FIRM, P.A.

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Liquidator, Official Receiver and Foreign
Representative of the Isle of Man Foreign
Proceeding of Spencer Partners Limited